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DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-47-2019]

Foreign-Trade Zone (FTZ) 201 – Holyoke, Massachusetts; Notification of Proposed Production Activity; ProAmpac Holdings, Inc. (Flexible Packaging Applications); Westfield, Massachusetts

The Holyoke Economic Development and Industrial Corporation, grantee of FTZ 201, submitted a notification of proposed production activity to the FTZ Board on behalf of ProAmpac Holdings, Inc. (ProAmpac), located in Westfield, Massachusetts. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on July 25, 2019.

The applicant indicates that it will be submitting a separate application for FTZ designation at the company's facilities under FTZ 201. The facilities are used for the production of flexible packaging for food, medical, pharmaceutical, and other consumer and industrial applications. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status material/component and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt ProAmpac from customs duty payments on the foreign-status material/component used in export production (estimated 5% percent of production). On its domestic sales, for the foreign-status materials/components noted below, ProAmpac would be able to choose the duty rates

during customs entry procedures that apply to plastic pouch/packaging stock, paper can liner and pouch/packaging stock, aluminum laminated packaging stock, and aluminum lidding stock (duty rate ranges from duty-free to 4.2%). ProAmpac would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The material/component sourced from abroad is aluminum foil (with gauges not exceeding 0.051mm) (duty rate ranges from 5.3 to 5.8%). The request indicates that aluminum foil is subject to an antidumping/countervailing duty (AD/CVD) order if imported from China. The FTZ Board's regulations (15 CFR 400.14(e)) require that merchandise subject to AD/CVD orders, or items which would be otherwise subject to suspension of liquidation under AD/CVD procedures if they entered U.S. customs territory, be admitted to FTZs in privileged foreign status (19 CFR 146.41). The request also indicates that aluminum foil is subject to special duties under Section 232 of the Trade Expansion Act of 1962 (Section 232) depending on the country of origin. The applicable Section 232 decisions require subject merchandise to be admitted to FTZs in privileged foreign status.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Christopher Wedderburn at
Chris.Wedderburn@trade.gov or (202) 482-1963.

Dated: July 29, 2019.

Elizabeth Whiteman,

Acting Executive Secretary.

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